



**IVL Acquires Durafiber Mexico:  
Accelerates IVL Automotive Fiber  
Business Global Expansion and  
Reach**

Investor Presentation  
15 August, 2017

**INDORAMA**  
VENTURES

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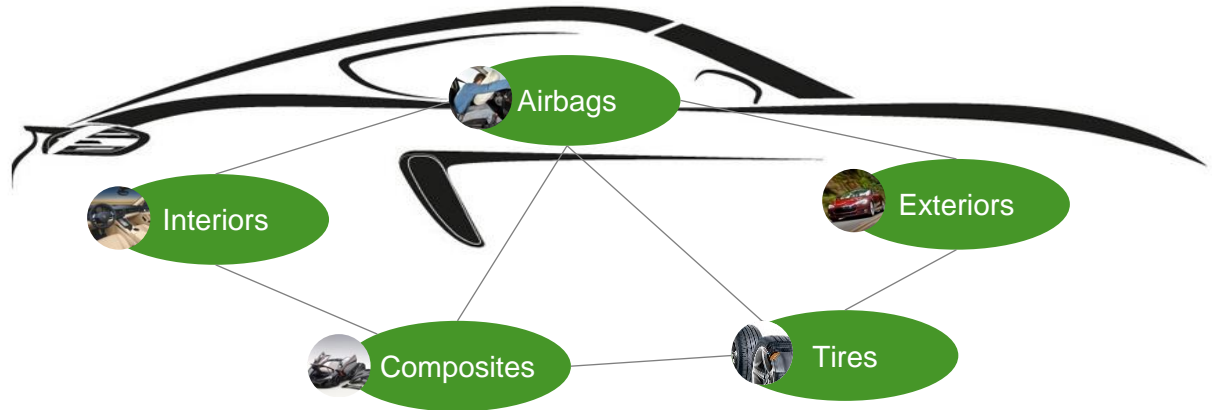
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**We Believe  
Fibers Have  
Great Potential  
in Automotive**

**Automotive Fiber Business  
\$10b+ Opportunity<sup>1</sup>**

- Growing Demand** →
- Protected Market** →
- Scalable Business** →

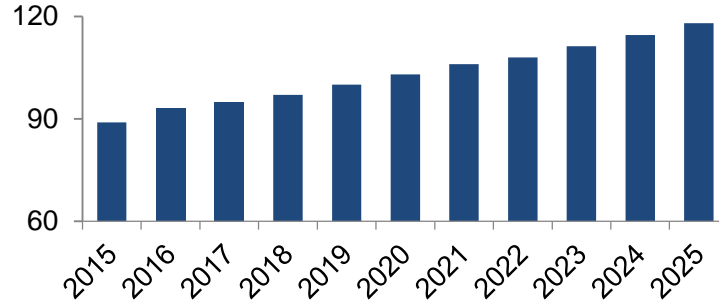


**\$0.6B+<sup>2</sup> business for IVL growing at ~25% CAGR<sup>3</sup>**

NOTE:  
1. 2020E Demand  
2. 2018E including Glanzstoff  
3. 2014-2018E

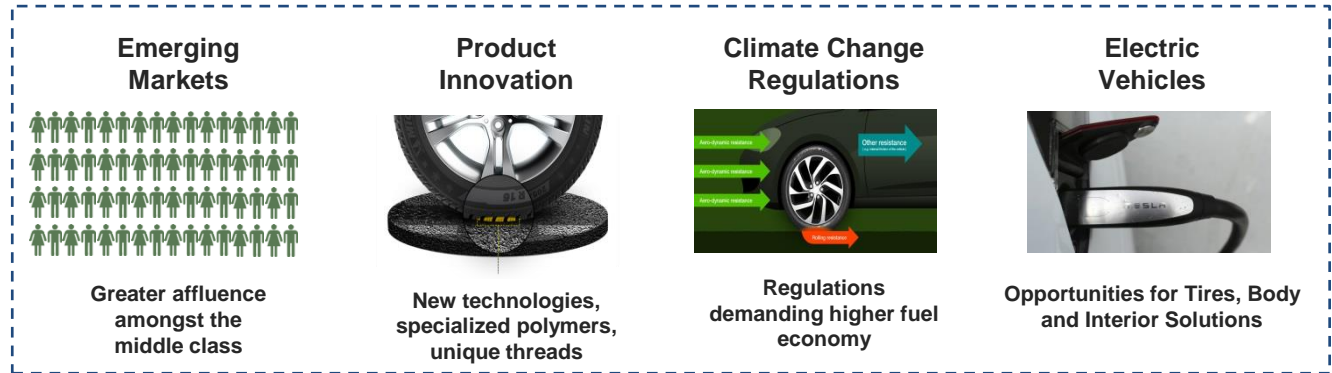
# Global Megatrends Increasing Growth Opportunities

Global Light Vehicle Production (m units)



- **LV production** increase from 89m in 2015 to **118m in 2025**
- **Use of textiles per car** increasing from ~30 kg to **~35 kg in 2020**
- Incremental replacement demand for **tires** of **~450m units by 2025**

## Mega Trends



NOTE: LV = Light Vehicle = Passenger Cars + Light Trucks  
SOURCE: Industry Data, IVL Analysis

***We Have Evolved From A Raw Material Supplier to A Solution Provider***



**Frontrunner in Developing New Solutions**

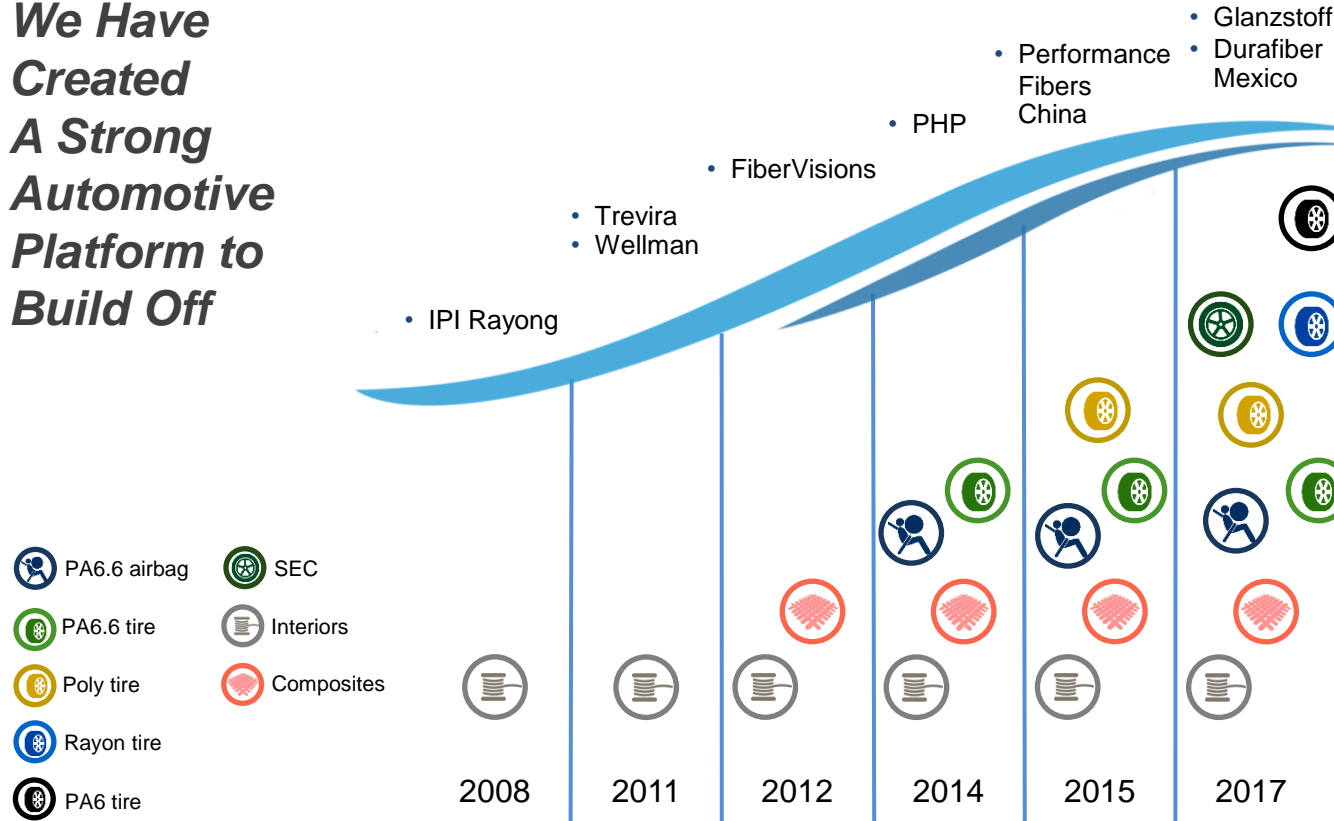
**Global Customer-Centric Automotive Presence**

**Unparalleled Product Portfolio**

**Transforming to Additional Competitive Advantages**

**IVL is the No.1 Fiber Partner for the Automotive Industry**

# We Have Created A Strong Automotive Platform to Build Off



More global

More diversified

Higher sustainability

More innovative

More resilient

# We Invest in Best-In- Class Assets

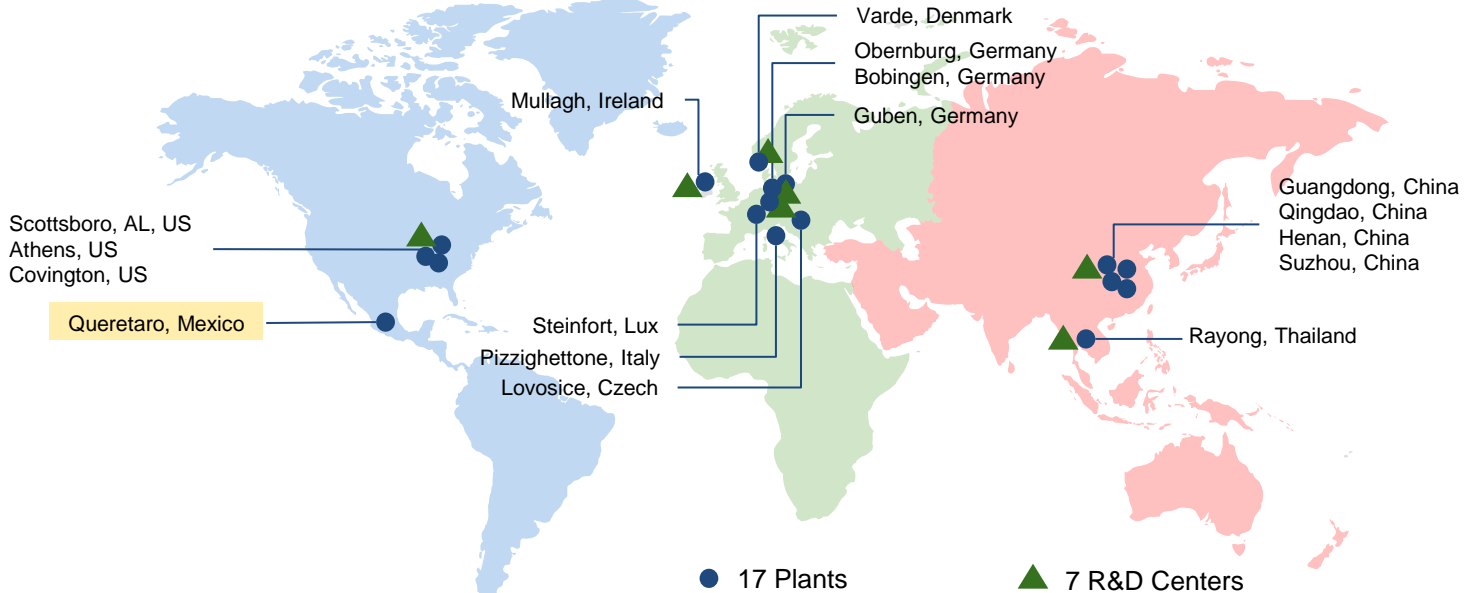
## Unique Portfolio

- PEN
- SEC/Hybrid
- Rayon
- PA6.6/PET Advanced
- PET/PA6

## Leading Market Positions

- #1 Global SEC/Hybrid
- #1 Europe Auto interior
- #2 Global Rayon tire cord
- #2 Global airbag
- #2 China PET tire cord

## Global, Customer-Centric Presence



NOTE: Including Durafibers  
SOURCE: Industry Data, IVL Analysis

# ***We Unlock Value Through Synergies and Investment***

## **Cost Synergies**

- Supply chain and procurement
- Corporate overhead and SG&A

## **Revenue Synergies**

- Cross-selling opportunities
- Innovation synergies

## **People Synergies**

- Best practice emulation
- Cross fertilization

**Cultural  
Integration**

**Retaining  
Talent**

**Blending  
Strengths**



# We Have a Clear Acquisition Criteria



## Strategic

IVL looks for opportunities which:

- satisfy our unmet needs
- provide strategic and cultural fit, and have strong synergy potential
- generate profitable growth above the industry average
- are positioned to contribute more value to customers

## IVL Acquisition Criteria



## Financial

IVL looks for opportunities which:

- we can afford, retain, and sustain
- provide return on investment above the WAAC
- are cash EPS accretive from the beginning
- are supportive to all other financial targets

**Selective, Prudent, Accretive**

# Durafiber Mexico- Compelling Acquisition Opportunity

Tire Cord Fabric



Industrial High-  
Performance  
Fabric



Queretaro, Mexico



- Durafiber (previously **Performance Fibers**)
- **Co-located** with **IVL Mexico**
- Highly **efficient operations**
- **Sole** domestic tire cord fabric **producer**, well positioned to supply **the Americas region**
- Expected long-term **market growth** at **~6% CAGR**

## Strategic Rationale

- ✓ **Accelerates IVL automotive fiber business **global expansion and reach****
  - Attractive complementary geographic and product footprint offering significant combination benefits
- ✓ **Compelling commercial case and **synergy opportunities****
  - Material tangible synergies including raw material sourcing, customer synergies, product synergies
- ✓ **Strong **platform** for future **growth and expansion** in the Americas region**

# A Milestone For The New “IVL”

New IVL With Strong Foundation

Clear and Prudent Criteria for Growth

IVL Delivers on its Acquisition Strategy

Acquisition Delivers Compelling Value

IVL with Proven Track Record of  
Integration

Automotive to Contribute Significantly  
to IVL 2020 Targets

